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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/620,219	07/14/2003	Larry LeMaitre-Roberts	00920.P2US	8721
61894 7590 03/18/2008 STAINBROOK & STAINBROOK, LLP 412 AVIATION BOULEVARD SUITE H SANTA ROSA, CA 95403				
EXAMINER LE, KHANH H				
ART UNIT 3688		PAPER NUMBER		
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary**Application No.**

10/620,219

Applicant(s)

LEMAITRE-ROBERTS, LARRY

Examiner

KHANH H. LE

Art Unit

3688

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 14 July 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-20 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-20 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 14 July 2003 is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/CDC)
- Paper No(s)/Mail Date _____

- 4) ☐ Interview Summary (PTO-413)
- Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

1. This Office Action is responsive to the original application. Claims 1- 20 are pending. Claims 1 and 9 are independent.

Drawings

2. New corrected drawings in compliance with 37 CFR 1.121(d) are required in this application because Numerals in Figure 2 should be changed from 1-5 to 11-15 to conform to the disclosure at page 12.

Applicant is advised to employ the services of a competent patent draftsman outside the Office, as the U.S. Patent and Trademark Office no longer prepares new drawings. The corrected drawings are required in reply to the Office action to avoid abandonment of the application. The requirement for corrected drawings will not be held in abeyance.

Double Patenting

3. The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the “right to exclude” granted by a patent and to prevent possible harassment by multiple assignees. A nonstatutory obviousness-type double patenting rejection is appropriate where the conflicting claims are not identical, but at least one examined application claim is not patentably distinct from the reference claim(s) because the examined application claim is either anticipated by, or would have been obvious over, the reference claim(s). See, e.g., *In re Berg*, 140 F.3d 1428, 46 USPQ2d 1226 (Fed. Cir. 1998); *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) or 1.321(d) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent either is shown to be commonly owned with this application, or claims an invention made as a result of activities undertaken within the scope of a joint research agreement.

Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

4. Claims 1-20 are provisionally rejected on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claims 1-20 of copending Application No 11/378119, (US PGPUB 2008/0033793) herein application /119.

This is a provisional obviousness-type double patenting rejection.

a) Claim 1 of application /119 essentially mirrors instant claim 1 except for “(a) issuing a program card” instead of the instant “issuing a loyalty card”; and “(c) transmitting an authorization request over the existing payment card authorization infrastructure...” instead of the instant “transmitting an authorization request over the existing credit card authorization infrastructure...” (bold added).

However the difference are only in the names of the card which has no bearing on the steps thus are not little patentable weight if any. It would have been obvious to a person having ordinary skill in the art at the time the invention was made (herein a “PHOSITA”) to call the card whatever they like if the names do not affect the method steps.

The other limitations of instant claims 2-8, 18-19 substantially parallel those of claims 3-10 of application /119 and thus are rejected on the same basis.

b) Claim 11 of application /119 essentially mirrors instant claim 9 except for “(a) issuing a program card” instead of the instant “ issuing a loyalty card”; and “ benefits program” instead of the instant “loyalty program ...” in the preamble (bold added).

However the difference are only in the names of the card and the program which has no bearing on the steps thus the names are given little patentable weight if any. It would have been obvious to a person having ordinary skill in the art at the time the invention was made (herein a “PHOSITA”) to call the card or program whatever they like if the names do not affect the method steps.

The other limitations of instant claims 10-15, 16-17 and 20 substantially parallel those of claims 12- 20 of application /119 and thus are rejected on the same basis.

Claim Rejections - 35 USC § 112

5. The following is a quotation of the second paragraph of 35 U.S.C. 112:
The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

6. Claims 1-9, and 10 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 1: “the existing payment card infrastructure” lacks clear antecedent basis because an existing credit card infrastructure was mentioned earlier. For art application both are interpreted as existing payment card infrastructure.
Dependents 1-8 are rejected based on the dependency.

Claim 10 recites “the acquiring bank “ where claim 9 does not have such. It is understood from speaking with Mr. Stainbrook on 3/12/08 that “financial institution” is meant. It is so interpreted for prior art application.

Appropriate correction are required in the next Response.

Claim Rejections - 35 USC § 103

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

8. Claims 1-4, 6-11, 13-20 are rejected under 35 U.S.C. 103(a) as being unpatentable over Dorf, US 6000608 in view of Graves US 6575361 B1.

Claims 1, 2, and 9:

Dorf discloses:

A method of capturing data from a customer transaction for administering a loyalty program (e.g. abstract, (Figures 1-2 and associated text, Figure 2 item 206, col.9 line 26 to col. 10 line 6)comprising:

issuing a program or loyalty card with a unique card number to a customer, said card number comprising a Bank Identification Number (e.g. col. 4 line 36- col. 5 line 3);

transmitting a data packet from a POS terminal to a merchants acquiring bank (e.g. (Figure item) 2 , path of Retailer A, with Bank processor 208 of Figure 2 reading on merchants acquiring bank; e.g. col. lines;) , said data packet comprising the unique card number, data identifying the merchant, and data identifying the dollar amount of the customer transaction;

transmitting an authorization request over the existing payment card authorization infrastructure to a clearinghouse (Figure 2, paths from retailers A and B, from payment network 107 to processing hub 103 reads on this step) ;

recording customer transaction data at the clearinghouse (e.g. processing hub 103 in (Figure 2 is the clearinghouse).

Dorf does not disclose transmitting a declining code to the merchant's acquiring bank (e.g. Bank processor 208 of Figure 2) over the existing payment card infrastructure and from the banked to the POS , or that the declining code is achieved by pre-arranging a stand-in limit of zero dollars.

However Dorf teaches “us[ing] existing banking networks in a unique and novel way to gain access to virtually all existing retail point-of-sale (POS) devices 105.” (col. 4 lines 25-30). The program or loyalty card is to be treated by the POS as a credit or debit card (abstract) even though the customer actually does not pay for transactions with it.

Dorf's purpose is to minimize POS customization (e.g. 2 lines 42-47). Dorf teaches not using the existing banking networks for purposes of processing payment but only as conduit to the processing hub 103 of Figure 2, for loyalty processing (Figure 2 item 206), marketing data gathering (col. 10 lines 2-3) or the like.

To trigger using the existing payment card infrastructure according to banking rules Dorf teaches one way is to use a fixed nominal amount e.g. \$0.01 which is then later returned to the retailer (e.g. paths of Retailers A and B to Hub 103 of Figure 2; col. 5 lines 49-59; col. 6 lines 40-44).

Official Notice is taken that one way to have a payment card transaction, such as in a credit card transaction, not proceed is to have it rejected or unauthorized by sending some data, message, or code which can be called a declining code as claimed, back from the authorizing entity to the POS.

Thus, if the object is to allow payment by any type of legal tender, (such as suggested by Dorf because it teaches payment by other means than with the loyalty card), and if e.g. the loyalty card is to be treated as a credit card (which Dorf teaches, see abstract) it would have been obvious to a person having ordinary skill in the art at the time the invention was made (herein a "PHOSITA") to substitute Dorf's using a nominal amount (e.g. \$0.01) a declining code sent from Dorf's sponsor bank 102 (which reads also on the clearinghouse) to the POS via the payment network to reject the payment transaction.

Further use of stand-ins in payment processing is admitted art (specification p. 11, lines 2-13) and Graves, in analogous scheme to manage stored value card using bank network, discloses pre-arranging stand-in processing to always be reversals of authorization (i.e. a kind of declining code) when Stand-In Processing is not desired due to the unique needs of the card in use "as opposed to normal VISA transactions" (col. 45 lines 42-52). Thus it would have been obvious to a "PHOSITA") to apply the admitted art of stand-ins and the technique of pre-arranging stand-in processing to always be reversals of authorization as taught by Graves if the purpose desired for the particular card is not to carry on normal existing payment (e.g. VISA) transactions as taught by Dorf as well as Graves. It would also have been obvious to set the stand-in amount to be zero dollars so to effect reversals, always, as taught by Graves.

Claims 3 and 10:

Dorf and Graves discloses a method as in Claims 2, 9 above and further discloses wherein the data packet further comprises: data identifying a time and a date the data packet was transmitted to the bank (col.1 lines 29-30 : "real-time" suggests such data are transmitted).

Claims 4 and 11:

Dorf and Graves discloses a method as in Claims 1, 9 above and further discloses wherein the clearinghouse or financial institution administers a loyalty program with more than one merchant participating in said loyalty program (inherent in citations above).

Claims 6-7, 13-14, 16-17, 18-20:

Dorf and Graves discloses a method as in Claims 2, 9 above and further suggests any type of payment is possible since the loyalty card is to be accepted at any standard POS and these can accept any type of payments. Thus it would have been obvious to a PHOSITA that the customer transaction can be consummated by cash, negotiable instrument, prepaid card, debit card, or credit card since standard POS can handle these types of payments.

Claims 8 and 15:

Dorf and Graves discloses a method as in Claims 3, 9 above but does not disclose loyalty program rewards are variably awarded based on the time and date the data packet is transmitted. However if rewards are to be so varied by design, for any economic or marketing purpose, it would have been obvious to a PHOSITA that that would be done, as an obvious solution among a limited few, to carryout such purpose.

9. Claims 5 and 12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Dorf in view of Graves as applied to claims 4 and 9 above, and further in view of Burke US 5621640.

Claims 5 and 12:

Dorf and Graves discloses a method as in Claims 4, 9 above but does not disclose wherein rewards from the loyalty program are dispersed to both a customer that accumulated the rewards and a non-profit entity

However Burke does (e.g. abstract). It would have been obvious to one skilled in the art at the time the invention was made to add Burke dividing of rewards between the customer that accumulated the rewards and a non-profit entity to effect the philanthropic purpose of Burke.

Conclusion

10. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Burke, US 6876971 discloses fund distribution system connected to POS.

Barnes 20070175985 discloses banking prior art background.

Stimson 2005/0021363 discloses debit card per transaction charitable contribution, gives excellent background re. prior art, citing Burke et...

Dorf, US 6189787 disclose multi-function card using credit/debit payment network e.g. col.12, claim 7.

Graves 7083084 discloses stand-in reversals.

SourceInc article, about Patent Portfolio,
http://web.archive.org/web/20070503011357/www.sourceinc.tv/main_custom.php?headfield=header_main&mainfield=cust011&footfield=footer_main discloses McCarthy's and Feidelson patents.

SourceInc article about Non-Profit Organizations,
http://web.archive.org/web/20070503011252/http://www.sourceinc.tv/main_custom.php?headfield=header_main&mainfield=cust021&footfield=footer_main (for background only) discloses charity from rewards.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Khanh H. Le whose telephone number is 571-272-6721. The Examiner works a part-time schedule and can normally be reached on Tuesday-Wednesday 9:00-6:00.

If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, Eric Stamber can be reached on 571-272-6724. The fax phone numbers for the organization where this application or proceeding is assigned are 571-273-8300 for regular communications and for After Final communications. Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 571-272-3600. For patent related correspondence, hand carry deliveries must be made to the Customer Service Window (now located at the Randolph Building, 401 Dulany Street, Alexandria, VA 22314).

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

/Khanh H. Le/
Examiner, Art Unit 3688
March 13, 2008

/James W Myhre/
Primary Examiner, Art Unit 3688